FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 042 *1 March 1979*

ARGENTINA

Videla Advisers Formulating Reply to Brazil on Parana Talks B 1
Salto Grande Official Returns From Talks in USSR B 1
Soviet Technicians To Help Build Middle Parana Dam B 1
PRC Trade Mission Arrives To Negotiate Wheat Purchase B 2
UCR Document Outlines Need for 'Frank Dialog' B 2
Montonero Leaders Explain Decision To Leave Peronist Movement B 3
[Paris LE MONDE 25-26 Feb]
New Regulations on Transport of Firearms Issued B 4

BOLIVIA

Bolivian Union Party Declares Presidential Candidate C 1
Four More Parties Request Registration at Electoral Court C 1
[PRESENCIA 24 Feb]
Briefs: Drug Traffickers Arrested C 1

CHILE

State of Siege Lifted Chuquicamata Mining Area E 1
National University Releases Economic Figures E 1

COLOMBIA

Turbay Addresses Senate on Coffee, Other Topics F 1
Reactions to Drop in Domestic Coffee Prices F 3
Brazil's Increase of Gasoline Price Termed 'Scandalous' F 4

PARAGUAY

Human Rights Committee President May Be Investigated H 1
[ABC COLOR 28 Feb]
Human Rights President Interviewed H 2
[ABC COLOR 28 Feb]
Briefs: Loan Offer; German Bankers H 2

VENEZUELA

President-Elect Discusses Budget Problems L 1
[EL UNIVERSAL 23 Feb
Meets With Mexican Envoy L 1
Proposes Police Corps Coordination L 2
[EL UNIVERSAL 23 Feb]
CSE Makes Decisions on Municipal Elections L 2
[EL NACIONAL 23 Feb]

MEXICO

CPSU Official Threatens Intervention in Vietnam M 1
French President Giscard Arrives for 3-Day Visit M 1
Oil Purchase Contract Signed With France 25 February M 1

PANAMA

President Royo: Economic Prospects Improving N 1
Station Calls for Vigilance on Treaty Implementation N 1

CENTRAL AMERICA

COSTA RICA

President Carazo Denies Rumors of Cabinet Crisis P 1
Civil Guard Masses Units for 'Operation Checkmate' P 1
Casualties Reported in Nicaraguan Invasion of Territory P 1
Civilian Casualties Reported P 1
Official Account P 2
Government Announces Position on Seizure of U.S. Tuna Boat P 2

GUATEMALA

Border With Honduras To Remain Open as Trade Talks Continue P 3
EGP Takes Credit for Occupying Three Villages P 3

NICARAGUA

Conservative Party President Arguello Resigns P 3
Sandinist War Communiques Report on Latest Actions P 4

CUBA

Roca Chairs Party Meeting on Socialist Legality Q 1
CTC National Council Views Social Security Bill, Other Topics Q 1
Almeida Presides at Propaganda Campaign Meeting Q 2
Lezcano Chairs CDR Evaluation Meeting Q 2
Valdes Chairs Construction Ministry Review Meeting Q 2
Nominations for Municipal Assemblies End Q 3
Results Announced Q 3
Sample Demographic Census To Be Taken This Month Q 4
Foreign Trade Ministry Communications Center Inaugurated Q 4
Ceremony Honors Internationalist Soviet Soldier Q 4
Further Reportage Q 4
Levi Farah Ends Visit to Iraq, Signs Cooperation Agreement Q 5

DOMINICAN REPUBLIC

President Guzman Accuses Predecesser of Overspending R 1

OTHER COUNTRIES

ANTIGUA

Former Premier Jailed for Corruption V 1
[Bridgetown ADVOCATE-NEWS 22 Feb]

ECUADOR

Foreign Ministry on 200-Mile Maritime Territorial Limit V 1

GUYANA

Burnham Stresses Importance of Nonalined Summit V 1
[Havana]
GDR Commercial Attache Comments on Relations V 2
[GUYANA CHRONICLE 14 Feb]

JAMAICA

Communist Party Calls on Manley To Unite Progressives V 2
[Havana]

PERU

Foreign Minister: Relations With Chile Normal V 2

VIDELA, ADVISERS FORMULATING REPLY TO BRAZIL ON PARANA TALKS

PY010151 Buenos Aires TELAM in Spanish 0050 GMT 1 Mar 79 PY

[Excerpt] Buenos Aires, 28 Feb (TELAM)--The Public Information Secretariat reported tonight at government house that the president of the nation "today imparted instructions to Foreign Minister Pastor regarding the reply which he will send in the name of the Argentine Government to Brazil on the problem of reconciling the Corpus and Itaipu dams."

Lt Gen Jorge Rafael Videla (ret) presided over a lengthy meeting at government house with Maj Gen Carlos Washington Pastor (ret), minister of foreign relations and worship, Oscar Camilion and Brig Gen Sergio Novoa, Argentine ambassadors to Brazil and Paraguay, respectively. The Public Information Secretariat reported that the meeting, which began at 1800 and ended at 2040, was also attended by Foreign Ministry advisers.

SALTO GRANDE OFFICIAL RETURNS FROM TALKS IN USSR

PY272300 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1846 GMT 27 Feb 79 PY

[Text] Buenos Aires, 27 Feb (NA)--General Miguel Angel Viviani Rossi, president of the joint technical commission for Salto Grande, announced today that negotiations carried out in the Soviet Union to obtain electromechanical equipment, namely turbines, for the Salto Grande hydroelectric plant within the previously established deadline were positive.

General Rossi returned today from the Soviet Union and said that "the supply of electromechanical equipment within our construction timetable is assured, and construction should be completed by late 1981."

General Rossi said: "Our mission was well received and we have returned with a good agreement. We can only wait now for the Soviet industry and government to fulfill their obligation."

Regarding his mission, General Rossi explained that he met with the energy machinery deputy minister, the electrotechnical machinery deputy minister and the foreign trade deputy minister, and that they "all agreed to advance the delivery of turbines to suit our timetable."

They all agreed that the Soviet Union will advance its manufacture completion deadline from 1983 to 1981, and its turbine manufacturing plants in Leningrad "will work at full steam, stepping up the manufacture of turbines to meet the contract obligation."

Referring to the Salto Grande project, General Rossi said that testing of the first turbine will start in April, before going into industrial-scale production in late May or early June.

Finally, General Rossi said that "Salto Grande is a very important Argentine-Uruguayan project because it shows that it has been properly planned and is a good example of international coordination in the area of hydroelectric undertakings."

SOVIET TECHNICIANS TO HELP BUILD MIDDLE PARANA DAM

PY281704 Paris AFP in Spanish 1557 GMT 28 Feb 79 PY

[Text] Buenos Aires, 28 Feb (AFP)--It was reported today that the Argentine project to build a dam on the middle Parana will receive the advice of Soviet technicians who will arrive here on 29 March.

Experts on the subject have indicated that in addition to the binational projects of Yacyreta and Corpus with Paraguay, and Salto Grande with Uruguay, the middle Parana is a priority project for Argentina.

The Soviet delegation will be charged with the preparation of the technical economic study of the middle Parana project, which also foresees Soviet assistance in supplying machinery and equipment to be used while carrying out the studies. The first research stage, which does not preclude studies being made in Moscow, will require an investment of more than $4 million from Argentina, it was reported.

PRC TRADE MISSION ARRIVES TO NEGOTIATE WHEAT PURCHASE

PY281953 Buenos Aires TELAM in Spanish 1858 GMT 28 Feb 79 PY

[Text] Buenos Aires, 28 Feb (TELAM)--A trade mission from the People's Republic of China arrived in our country today to establish contact with national authorities and hold talks for the purchase of at least 1 million tons of wheat.

Shortly after arriving at Ezeiza airport, Zhang Zhigang, head of the delegation and director general of CEREOILFOOD [Cereal, Oil and Food Import-Export Organization], the official Chinese grain-regulating body, said that "last July a long-term agreement was signed with the National Grain Board of Argentina which has already entered into effect for the purchase of large quantitites of wheat, beginning at a million tons."

Talking briefly with newsmen, he denied that the conflict between his country and Vietnam has been the determining factor for the acquisition of grain from abroad because "these are two totally different issues."

The delegation is also composed of Shan Jianhua, Li Kewen and Zhou Biquan, director, deputy director and official [funcionario], respectively, of CEREOILFOOD.

UCR DOCUMENT OUTLINES NEED FOR 'FRANK DIALOG'

PY010207 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1420 GMT 28 Feb 79 PY

[Text] Mendoza, 28 Feb (NA)--A group of leaders of the Radical Civic Union [UCR] issued a document calling for "the implementation of a frank dialog to set in motion institutional normalization with the participation of vigorous and renewed political parties."

The document warns, however, that "the dialog will not be possible if the current economic policy is maintained because, far from creating order and stability, that policy is generating serious social tensions and discouragement in the national economy."

Signed by 30 persons--among them former candidate for governor Alfredo Moso, former provincial interventor Isidoro Busquets and former Deputies Miguel Matos and Herminia Ramos de Vasquez--the document elaborates on the promise of dialog made by the government, concluding that "it has remained unfulfilled up until now."

The document then adds: "On the contrary, official voices out of tune with that promise are being heard, causing concern because they presume to have an absolute right over the truth by disregarding other opinions which should be respected as an indispensable condition for an authentically republican dialog."

The document also stresses that "no national problem will be solved behind the people and without their participation in the framework of representative democracy."

It also states that the armed forces should not delay in making public as soon as possible their political plan, warning that "any political plan must allow for a political regime with foundations in our national constitution."

It also analyzes the national economic situation, the deterioration of real salaries and the situation of recession with inflation and underconsumption.

Regarding the economic situation of the provinces, the document mentions the problems affecting the wine industry, particularly the producers and the intermediaries.

As for the controversial issue of provincial contributions to the national treasury, the document states that it represents a lack of regard for the federal system of government, as well as a violation of the principle of fiscal equality and justice by discriminating against people with equal tax-paying capacity in different provinces.

In its conclusions, the document points out "the imperative need for a peaceful change, based on a just order which is to be established with a sense of greatness by all Argentines."

To that end, the document calls for "the implementation of a frank dialog to set in motion institutional normalization along democratic and republican principles and with the free participation of vigorous and modern political parties."

The document then stresses that "in a climate of recession with inflation, low salaries, underconsumption and political recess there will be no dialog; and, in the vacuum resulting from the lack of consent and participation, the government's actions are ineffective and doomed."

[Buenos Aires LATIN in Spanish at 1606 GMT 28 February reports that former Labor Minister in the Peron government Miguel Unamuno has called upon civilians and militarymen to formulate together a political plan, adding that political reactivation is necessary because of the deterioration of the economic and social situation of the underprivileged sectors.]

MONTONERO LEADERS EXPLAIN DECISION TO LEAVE PERONIST MOVEMENT

LD281217 Paris LE MONDE in French 25-26 Feb 79 p 15 LD

[Unattributed report: "Two Montonero Peronist Leaders Leave the Organization"]

[Text] We have received a communique from two top-ranking leaders of the Montonero Peronist Movement, Adolfo Galimberti and Juan Gelman, announcing that they and other militants have decided to relinquish their posts in this organization in order to pursue under better conditions the "revolutionary struggle against the dictatorship and for the liberation of the Argentine people." We have extracted the following passages from it:

"The Montonero Peronist Movement's national leadership has for a long time lived outside Argentine territory and is consequently removed from the real conditions in which the resistance is being fought. Real leadership of the forces struggling in Argentina does not exist. This situation has aggravated old distortions which had never been entirely rectified and has generated further distortions.

"We wish to point out the most serious among them: the revival of a form of militarism based on guerrilla cells... a militarism, moreover, whose forces are spent, which is reduced to using slogans and, what is more, only abroad; the repeated conspiratorial practices by party cadres within the Montonero Peronist Movement's leadership bodies, practices which are meant to guarantee the party's hegemony even at the cost of sabotaging the organization as a whole; the maniacal sectarianism which seeks to deny representation at the mass level to all who are not under the party's strict control; ... the complete bureaucratization of all levels of the party leadership; finally, the total absence of internal democracy which strangles any attempt at critical reflection....

"In the face of so many errors," the authors continue, "one reality exists: the struggle of the masses.... We are abandoning structures which have become an impediment in order to achieve the objectives which justified their creation. But we are not renouncing Montonero Peronism nor its aims, which are political sovereignty, economic independence and social justice--a synthesis of the course which must be taken to build socialism in our country.

"We also declare that as long as there is a dictatorship, there will be armed popular resistance, with the participation of Montonero Peronism...."

NEW REGULATIONS ON TRANSPORT OF FIREARMS ISSUED

PY281856 Buenos Aires TELAM in Spanish 1540 GMT 28 Feb 79 PY

[Text] Buenos Aires, 28 Feb (TELAM)--New norms regulating the transport of firearms were implemented today. The official GAZETTE today published the text of Decree No 440 of the national executive branch updating the measures restricting the transport of firearms by individuals. This decree will be in force until 31 December 1979.

The measures determine that "no more than two firearms per person and no more than five per vehicle can be transported," and explains that these measures include "those weapons used in sports and in hunting (whether large or small game hunting)."

The transport of 12- and 16-caliber semiautomatic and automatic shotguns and of their main parts is forbidden, except for those equipped with clips for no more than two cartridges.

Members of the armed forces, security, police and prison guards, whether on active duty or retired, are not affected by these measures. Security personnel from public and private institutions, official and private banks, organizations transporting valuables, financial institutions authorized by the Argentine Central Bank and the paymaster for the National Arms Registry, while carrying out their functions, are also exempt from these measures. These rules also do not affect personnel from security enterprises and private individuals authorized by Law No 21,265 while fulfilling their duties, members of diplomatic missions accredited to the country, consular agents and military missions.

It is also established that "compliance with the established rules does not constitute exemption from local rules on sport shooting and hunting activities."

Finally, the decree establishes that violations of these norms will be punished according to the provisions included in Article 36 of Law No 20,429.

The preambles to the decree stress that "notwithstanding the favorable development of the situation domestically, it is appropriate to maintain certain restrictive measures which may facilitate control of the movement of certain materiel according to use and characteristics." The decree also explains that these measures have been updated because Decree No 948/78 has expired.

BOLIVIAN UNION PARTY DECLARES PRESIDENTIAL CANDIDATE

PY271658 [Editorial Report PY] La Paz EL DIARIO in Spanish on 22 February published a paid advertisement on page 29 under the headline "The Triumphant Tour of Walter Gonzalez Valda, Presidential Candidate for the Bolivian Union Party [Partido Union Boliviana], Chief of Operations During the National Revolution of April 1952." Above the headline are two photographs of Gonzalez Valda touring the country. The advertisement says: "The party of hope, faith and truth is irresistibly and victoriously on the move throughout the fatherland, promising to redeem the betrayed national revolution." It cites proclamations issued in Pazna and Huanuni by veterans, mothers, women, peasants, mineworkers and the people in general declaring Walter Gonzalez Valda as their presidential candidate.

The advertisement concludes: "Bolivia jubilantly acclaims the Bolivian Union Party, which declares the treaty of 20 October 1904, imposed by force, to be null in fact and by right and accuses Chile of being the shame of civilization because of a century of ignominy. The party decrees the moral mobilization of its ranks and makes the solemn promise to return to Bolivia its outlet to the sea. Bolivians: Forward with the party of the present and the future."

FOUR MORE PARTIES REQUEST REGISTRATION AT ELECTORAL COURT

PY281907 La Paz PRESENCIA in Spanish 24 Feb 79 p 1 PY

[Excerpt] The number of parties which have registered at the National Electoral Court, requesting legal status to qualify for the elections, increased to eight this weekend, with 4 weeks left until the closing of party registration, which opened on 12 February.

The latest to register were Guillermo Aponte's Socialist Party, the Socialist Republican Union Party and the National Action Mandate.

The following parties have already registered at the electoral court: two sectors of the Bolivian Socialist Falange (the first to register), the National Revolutionary Movement of the Left, the Christian Democratic Party and the Bolivian Workers Revolutionary Party.

BRIEFS

DRUG TRAFFICKERS ARRESTED--Santa Cruz, 22 Feb (PRESENCIA)--Col Raul Escobar, director of the narcotics department, told the press about the results of three operations which led to the seizure of 10 kg of cocaine and the arrest of 10 traffickers, who are listed as follows: Alberto Chavez Vaca, Alberto Olmedo, Ricardo Banegas Picolet and Antonio Estevez Camacho, all Bolivian citizens. On the second operation, two U.S. citizens who were about to board a plane at the international airport were discovered to be carrying 1 kg of cocaine hidden inside a tape recorder. They are Jose Kurpel and Janet Piper Mahomondi. [La Paz PRESENCIA in Spanish 23 Feb 79 p 2 PY]

STATE OF SIEGE LIFTED IN CHUQUICAMATA MINING AREA

PY282151 Buenos Aires LATIN in Spanish 2027 GMT 28 Feb 79 PY

[Text] Santiago, Chile, 28 Feb (LATIN)--The government today lifted the state of siege in the northern region where the Chuquicamata copper mine is located, it was officially reported here.

The Interior Ministry indicated that the state of siege was lifted because the circumstances which prompted it no longer exist.

The state of siege was decreed as a result of the tension which erupted in the Chuquicamata mine as the workers initiated a movement called "the lunch pail pressure" to demand economic gains.

The miner's movement involved not patronizing the dining rooms.

NATIONAL UNIVERSITY RELEASES ECONOMIC FIGURES

PY281402 Santiago Chile Domestic Service in Spanish 1000 GMT 28 Feb 79 PY

[Text] Salaries increased by 14 percent in real terms in 1978. This figure is given in the latest employment and unemployment survey made by the National University Economics Department. In comparison to 1973, salaries increased by 41.4 percent in real terms. This is why salaries in 1978 were slightly better than in 1970.

Spokesmen from the economic sector have noted that the figures indicate that the stage of national economic recovery has ended. They added that in the future, economic growth will result from an overall economic expansion, but that it will not be as spectacular as it has been in the last 2 years. The spokesmen added that this growth may be between 5 and 8 percent.

The survey reports that manpower increased by 3.9 percent in 1978 and that employment increased by 3.8 percent. In December 1978, unemployment at the national level was 12.5 percent, and in Santiago it was 14.8 percent. Between December 1977 and December 1978, manpower in urban areas increased by 5.4 percent and in rural areas it decreased by 1.1 percent. Of the 85.2 percent of the employed population, 28.9 percent belong to the sector producing goods and 56.3 percent to the service sector.

Spokesmen from the economic sector added that the number of employed persons in Santiago is in agreement with the economic growth of the region. They added that the increase in manpower is caused by a population increase in the working-age bracket and by a greater migratory influx from rural to urban areas which have a greater labor demand.

TURBAY ADDRESSES SENATE ON COFFEE, OTHER TOPICS

PA281517 Bogota Domestic Service in Spanish 2228 GMT 27 Feb 79 PA

[Speech by Colombian President Julio Cesar Turbay Ayala to the Senate at the opening of special sessions of Congress--live]

[Excerpts] Just as I suggested when I closed the ordinary legislative session last year, the government has deemed it advisable to call Congress into special sessions in order to study pending projects submitted to either the Senate or the House. They are legal initiatives of vital importance to this country, which must continue to be debated until the Congress' final decision is made.

No one is ignoring that Iran's serious political situation, which culminated in the removal of Shah Rehza Pahlevi's government, has led to serious difficulties concerning the supply of crude oil to the various refineries which were in charge of processing and distributing it among the nations that need this fuel to complement their production--as is Colombia's case--or which have to acquire all that they consume because they are not producers. In addition to the increase in the international price of oil resulting from the constant rises decreed by OPEC, we now have the one that will take place worldwide in a few days as a result of the previously mentioned developments.

Unfortunately, Colombia will not escape the effects of this price-rise phenomenon, which is completely alien to its will and harms its interests, and will be forced to adopt the appropriate policies in order to avoid the rude impact that this rise in oil prices will have on its economy.

Along with this circumstance, the price of our main export product, coffee, has dropped on the international market, with the natural consequence on the national price of the commodity. In total agreement with the National Coffeegrowers Federation, the government has decided to suspend the exchange certificate system for the conversion of dollars derived from coffee sales and to diminish retention by 43 percent. Furthermore, [words indistinct] within the framework of these new circumstances, to establish a purchase price of 6,400 pesos per coffee load [carga].

Obviously, it would have been preferrable to maintain the price of the commodity on the national market at the level it reached during the bonanza era, which with great effort was maintained until now. Unfortunately, that wish turned out to be incompatible with the international price and with the economic resistance of the federation, which would have been forced to finance the purchase of the large harvest expected for this year by means of the [word indistinct] and dangerous emission system.

The government is well aware that price readjustments involve serious economic trauma because production expenses have increased in a way that makes it hard for the coffeegrowers to reduce them without creating social problems. Naturally, we know that the coffeegrowers union is one of those most clearly aware of their duties and obligations to the country. For this reason they will understand that the measures adopted are the inevitable result of international situations which are beyond the government's control.

As we have said previously, Colombia will continue its policy of market discipline, and by all the means at its disposal will seek to establish a world agreement among producers and consumers in order to achieve stable and profitable prices. This international battle will thus continue. The National Federation of Coffeegrowers will at all times have the resolute support of the government, which I am honored to preside over, in its efforts to implement its plans and programs.

The national government, which has not ignored the movements of criminal groups, with foresight requested [word indistinct] from the honorable Council of State for the application of Article 28 of the national constitution, which permits the arrest for 10 days of persons seriously suspected of threatening political tranquillity. In implementation of the powers of the aforementioned provision, it ordered the Military Institutes Brigade [BIM] and other authorities to capture individuals that were suspected of actions provided for under the constitutional article. The military forces, in coordination with the Administrative Department of Security and the F-2, arrested the persons previously pointed out by the Council of Ministers.

As a result of the investigations initially carried out by the BIM and subsequently continued by the military penal judges, the authorities discovered the existence of several sites of torture and imprisonment used to hide persons carefully chosen to be victims of extortion and crime. Several of those arrested confessed to having participated in the events under investigation and indicated the hiding places of weapons, which were soon returned to their legitimate owners.

One must add that none of those held by the BIM was arrested on the basis of the security statute, Legislative Decree No 1923 of 1979, but in implementation of the powers of Article 28 of the constitution. With the rashness that these events are usually judged by the misinformed, the security statute has been chosen as a new victim. It is blamed for the detention of those who, having confessed, have passed to the orders of the military penal judges within the provisions established by the constitution and those who, for the lack of sufficient proof, were later released. In some cases there has been application of Article 28 of the constitution--which is not a creation of this administration--rather than the slandered security statute which was issued by us.

Once again, my administration submits for consideration by the chambers the bill upon which modifies the national narcotics statute which was presented by the previous administration and which, in the executive's opinion, is an essential tool in my administration's great battle against drug traffickers. The positive results that have been obtained in this field are known. Using the provisions of Decree No 1188 of 1974, and mainly Legislative Decree No 2144 of 1978 and Resolution No 5246 of the Civil Aeronautics Administrative Department, we have been reducing criminal activity in the field of narcotics.

Despite having achieved significant progress in that field, as well as that of public order, we need to continue the struggle with adequate legal instruments and renewed energies. Thousands of tons of marihuana and valuable shipments of cocaine have been confiscated and destroyed by authorities of the republic. Several airplanes, boats and vehicles have been confiscated. Along with these confiscations, hundreds of nationals and foreigners involved in this denigrating but profitable criminal activity have been arrested.

It is unquestionable that the country's bad image abroad has been modified considerably. In reports which indicate that Colombia is a vital link between the southern and northern parts of the continent in drug trafficking, there is recognition of the persistent campaign undertaken by the Colombian authorities against this type of crime. There is surely no (?greater) effort than the one we are undertaking to prevent the departure of narcotics from our country, just as other nations are working to prevent the entrance of marihuana and cocaine into their territory. The government does not doubt that more active international cooperation by the states interested in eliminating this illegal traffic could bring more satisfactory results than the ones which with a great [word indistinct] investment on our part have been achieved by Colombia.

On 7 August 1978 the government indicated that Colombia's foreign policy would not lose its [word indistinct] orientation of ideological pluralism. In line with these guidelines, there has been an intensification of Colombia's policy of rapprochement with the countries of the Caribbean. So far this year, Honduran Foreign Secretary Roberto Palma Galvez visited the country 25-27 January, Dominican Foreign Minister Ramon Emilio Jimenez visited the country 13-18 January and Haitian Foreign Affairs and Worship Secretary Gerard Dorcely visited 18-19 February. During the foreign ministers' visits, the talks and statements stressed the many points of agreement in the foreign policies of their countries and ours, including the desire to achieve a new international social and economic order, defense of stable prices for basic products as members of the Third World, strengthening mechanisms that protect human rights, respect for the self-determination of peoples, rejection of all forms of colonialist dependence, and joint efforts to coordinate the defense of our social and economic rights in the various international forums.

During the Dominican foreign minister's visit, there was an exchange of the instruments of ratification of the agreement on delimitation of marine and submarine areas and marine cooperation with Colombia. There was a similar exchange with the Haitian foreign secretary regarding delimitation of the aforementioned areas with that country. A cultural agreement was also signed with Haiti to strengthen our relations with that country. The visits by the foreign ministers of those friendly countries permitted increased trade and cultural exchange with that region within a policy of frank cooperation and understanding.

In the development of the administration's foreign policy, the agenda of the ordinary and special sessions include three international treaties of unique importance and desirability which have already been approved by the honorable Chamber of Representatives. One is the Simon Rodriguez Agreement, which reaffirms and strengthens the sociolabor integration of the member countries of the Andean Pact. The second is an unequivocal expression of the pluralistic policy that my administration is promoting. It is the agreement on cultural and scientific cooperation between Colombia and the GDR. The third agreement refers to the International Fund for Agricultural Development, which seeks to adopt joint measures to promote production and development.

The bill which grants the president of the republic special powers to introduce amendments to the labor legislation has attained a broad consensus of opinion which made possible its approval by the Chamber of Representatives and its passage to the Senate of the republic. It has not been with a desire for reform that the government has proceeded to request from the republic's main legislative body approval of an initiative to modify the current legal structure that governs labor-management relations of the private sector. My administration has merely responded to an old and persistent desire of workers and employers for the urgent promulgation of a flexible and modern labor statute. My government is confident that the honorable Senate, within its proved good will, will pass this bill. I am sure that workers and employers will view the promulgation of the law as an authentic advance of their aspirations. It is a law which will make possible the modernization of the labor regulations, the expediting of its mechanisms and the strengthening of harmony among the various production sectors.

REACTIONS TO DROP IN DOMESTIC COFFEE PRICES

PA281911 Paris AFP in Spanish 1746 GMT 28 Feb 79 PA

[Text] Bogota, 28 Feb (AFP)--Controversy continued in Colombia today over the recent reduction in the domestic price of coffee to $188.40 per 70-kg sack.

The Coffeegrowers Association [Asociacion de Cafeteros-ASOCAFE] has said that the measures adopted by the government will have serious consequences for the country's economy and will particularly affect the income of small coffee producers, who produce a very large percentage of the total production. "These measures are going to create a real economic imbalance and will seriously affect the income of the least favored classes," ASOCAFE stressed.

The Colombian Small Coffeegrowers Association expressed itself in similar terms, indicating that the reduction of the domestic price is counterproductive and ill advised due to the crisis being experienced by the coffee industry in general because of the lack of credit and the drop in the demand for the product.

Former leader Fernando Londono said that the producers do not understand the role of the Coffeegrowers Federation. He described the measures as depressive for the industry because they decrease the income of mainly small and medium coffee producers.

Officials of the National Association of Financial Institutions (ANIF) said that the coffee measures are in accord with the reality of the economy of the sector but criticized the reduction as unjust. According to ANIF, the federation's policy "is foolish."

Other circles had previously supported the domestic readjustment, since they believe that it is in line with the realities of the international coffee market.

BRAZIL'S INCREASE OF GASOLINE PRICE TERMED 'SCANDALOUS'

PA281951 Paris AFP in Spanish 1551 GMT 28 Feb 79 PA

[Text] Bogota, 28 Feb (AFP)--The Colombian Government described here today Brazil's announcement of a 73-percent readjustment in the prices of the gasoline it exports to Colombia as "scandalous." Mines and Energy Minister Alberto Vasquez Restrepo said that the decision by the Brazilian Petroleum Corporation (PETROBRAS) has placed Colombia in a difficult situation regarding a regular supply of gasoline.

"A difficult situation has been created, but there is no reason for panic because the country has reserves for a few days," Vasquez Restrepo said, adding that contacts have been begun for purchases in other nearby nations.

Vasquez Restrepo described Brazil's announced increase as "scandalous." He also said that PETROBRAS has notified Colombia that it will reduce its traditional supply to Colombia by 25 percent.

PETROBRAS had been selling Colombia gasoline at the price of $.43 a gallon, but it has now decided that it can sell it only at $.65, the Colombian minister explained, adding that the $.32 increase is "truly an astronomical figure."

"We will buy gasoline from other friendly countries with which we have already initiated contacts," Vasquez Restrepo said.

HUMAN RIGHTS COMMITTEE PRESIDENT MAY BE INVESTIGATED

PY281604 Asuncion ABC COLOR in Spanish 28 Feb 79 p 29 PY

[Text] State Attorney General Clotildo Jimenes Benitez has sent a brief to the criminal court asking that an indictment be drawn up for an investigation into the activities of Mrs Carmen de Lara Castro, president of the Committee for the Defense of Human Rights in Paraguay. The brief was received by Judge Santiago Vera Jara.

The attorney general says: "The executive branch is concerned over the notorious activity of the so-called Committee for the Defense of Human Rights in Paraguay, presided over by Mrs Carmen de Lara Castro, and, in accordance with instructions received, the government attorney's office asks that an investigation be undertaken.

The brief continues: "Your Honor, enclosed with this brief is the charge made by the chief of investigations which says in its most prominent part: 'From the beginning, police work has been obstructed by Mrs Carmen de Lara Castro, a well-known agitator against the government who, under the shelter of a so-called Committee for the Defense of Human Rights in Paraguay, has released communiques and made public statements of an incredible nature. Police headquarters does not know the constitution of this committee or the type of privileges or immunity it has.' The high-ranking police official concludes by saying: 'This open and flagrant obstruction is the reason why the police investigation has not proceeded with greater speed.'"

Attorney General Jimenez Benitez then adds in his brief that "the interior minister received the letter from the chief of police of the capital and asked the pertinent office if the so-called 'committee' has been registered with legal status. The reply was negative. It is thus obvious that the so-called committee is not registered with legal status as a civil corporation in this country. We have also verified that it does not represent any international organization such as the OAS or the United Nations with which the national government maintains relations by virtue of treaties and agreements."

The attorney general then brings up a report published in this newspaper on 23 June last year headlined "The Paraguayan League for the Defense of Human Rights Has Been Approved" in which, Mrs Carmen de Lara Castro, when asked if it would not be more ethically acceptable for the league to be headed by an independent person, said: "There is no party politics in this."

The brief continues: "Your Honor, we can then agree that the 'committee' presided over by Mrs Carmen de Lara Castro is a civil entity of private law, associated with another private entity called the International Human Rights Committee with headquarters in the United States, from which it receives subsidies and instructions. We can now reply to the chief of investigations when he asks: 'What type of privileges or immunity does it have?' The government attorney's office categorically asserts that it has none."

The attorney general adds: "Are private national or international associations subject to international law? Can they make accusations of alleged violations of human rights? The government attorney's office says that they cannot." After further doctrinaire considerations, Attorney General Jimenez Benitez maintains: "The so-called Committee for the Defense of Human Rights in Paraguay and the International Human Rights Committee (private entities) definitely have no capacity to make accusations of alleged violations of human rights."

The brief then asserts: "The so-called Committee for the Defense of Human Rights in Paraguay usurps the authority of the state itself and tries to assume the role of the government. This is really a rebellion against the constitution and the prevailing state of rights."

The attorney general analyzes the political situation in the world, explaining that specific methods are used, among which can be mentioned "open subversion, infiltration of public and private organizations, campaigns to discredit, particularly abroad, with the aim of distorting the images of states which have succeeded in overcoming the danger to the very existence of their nations; and, in the end, in the name of a condescending or subservient policy of distension or opening, a mistaken judgment is made of the values and intentions of those nations which are struggling to keep from becoming subdued by a powerful foreign enemy." Attorney General Jimenez Benitez concludes by requesting that Mrs Carmen de Lara Castro be questioned and that a full report be sent to the government attorney's office.

Human Rights President Interviewed

PY281608 Asuncion ABC COLOR in Spanish 28 Feb 79 p 29 PY

[Text] Regarding the petition presented by the state attorney general, ABC COLOR has talked with Dr Carmen de Lara Castro, president of the Human Rights Defense Committee, who stated: "If the reasons for an investigation are in good faith, they are also correct, but nothing hidden will be found. In addition, everyone knows that all members of the committee are morally dependable."

Regarding the inability to report human rights violations, as stated by the state attorney general, De Lara Castro said: "As I understand it, any citizen can report violations as long as that person assumes the appropriate responsibility."

Asked if the Human Rights Defense Committee will issue a statement, the head of the committee said: "Those persons authorized to make a statement will do so. I do not believe much in the independence of justice." She also acknowledged that the committee has no legal status.

BRIEFS

LOAN OFFER--Wei Yung-Ning, under secretary of economy for the Republic of China, offered the Paraguayan Government a loan of $5 million through Efrain Dario Centurion, under secretary of foreign relations for economic matters, who is visiting Taipei. [Asuncion PATRIA in Spanish 28 Feb 79 p 6 PY]

GERMAN BANKERS--High-level executives of the Deutsch-Sudamerikanische Bank are visiting the country to strengthen banking and commercial relations with Paraguay. The executives met with the president of the Central Bank and offered financing to the Paraguayan Development Bank. [Asuncion ABC COLOR in Spanish 28 Feb 79 p 15 PY]

PRESIDENT-ELECT DISCUSSES BUDGET PROBLEMS

PA281918 Caracas EL UNIVERSAL in Spanish 23 Feb 79 p 2-1 PA

[Excerpt] Our country's fiscal resources are very much tied down because the public debt, both domestic and foreign, is enormous, President-elect Dr Luis Herrera Campins said during a speech given at a forum held yesterday in the auditorium of the Armed Forces of National Cooperation Officers Advanced School of Applied Studies [Escuela Superior de Aplicacion de Oficiales].

Herrera Campins was talking about budget funds that the country has available and the ambitious and necessary projects that his administration will undertake in all areas, even though there may be fiscal difficulties.

Asked about possible economic improvement, as well as the supply of homes for subordinate officials of the national armed forces, the president-elect noted that he is interested in gradually improving the socioeconomic conditions of military personnel.

However, he added, we all know that it is the National Congress that draws up the budget and therefore approves it. Thus, during the first year [in office] work is always performed with an instrument that was not created to suit the projects undertaken. In this sense, the liaison commissions are collecting data to determine the country's fiscal realities and, based on those data, to set priorities regarding the implementation of projects, particularly in housing.

Nevertheless, the president-elect hinted that our country has a huge debt and that his administration will not have to tackle it. [as published] I must warn you, he said, that every day that passes the country has to pay more than 25 million bolivares in servicing the debt. And it will have to pay in this manner until well into my term of office. This gives a clear-cut idea of the fiscal situation that we are experiencing.

The subject of inflation was also mentioned to the president-elect by several officials who voiced their concern at the constant appearance of this phenomenon in our midst. It is true, he said, that we are experiencing inflation that is both self-inflicted and imported. However, it cannot be determined whether inflation or speculation is worse in Venezuela. I have been insisting that we have to cope with both evils, and my administration will do just that.

Meets With Mexican Envoy

PA281522 Caracas VENPRES Diplomatic Information Service in Spanish 0653 GMT 28 Feb 79 PA

[Text] Caracas, 27 Feb (VENPRES)--Dr Porfirio Munoz Ledo, special envoy of Mexican President Jose Lopez-Portillo, and President-elect Dr Luis Herrera Campins have discussed Mexico's domestic and foreign policy.

Dr Munoz Ledo, who is a former labor and education secretary in his country as well as a former president of the Institutional Revolutionary Party--a political party that has held power for several years--is in our country to give several lectures on Mexico's international policy. The first lecture will be given at the Foreign Ministry tomorrow.

Munoz Ledo, who is also President Lopez-Portillo's adviser for political, social and economic development, visited President-elect Dr Herrera Campins at his home named La Herrerana, where they talked for an hour. Munoz Ledo conveyed President Lopez-Portillo's greetings and congratulations to Herrera Campins on his election as president of the republic.

They began their talk by discussing Mexico's current projects for achieving more sustained economic and social development. They discussed international relations, especially with several industrialized countries that will supply his country [as received] with diverse consumer goods and raw materials and with which it will conduct cultural exchanges.

Dr Herrera Campins informed Dr Munoz Ledo that under his administration, scheduled to begin on 12 March, relations with Mexico will remain as before, but he will try to expand them in order to achieve higher development in both countries.

Proposes Police Corps Coordination

PA281453 Caracas EL UNIVERSAL in Spanish 23 Feb 79 p 1-25 PA

[Excerpt] President-elect Luis Herrera Campins has expressed concern over the personal security of Venezuelans. He stated that it is necessary to immediately coordinate the present police corps rather than create a national police force.

The president-elect made this statement during his meeting with Rear Adm Haroldo Rodriguez Figueroa, director of the Higher Naval War College [Escuela Superior de Guerra Naval], and other officers. The meeting took place during the president-elect's visit to that institution yesterday morning.

CSE MAKES DECISIONS ON MUNICIPAL ELECTIONS

PA282208 Caracas EL NACIONAL in Spanish 23 Feb 79 p D-1 PA

[Excerpts] The Supreme Electoral Council (CSE) has rejected a petition calling for the right to proportional representation of minorities in political groups.

After making this decision, the country's top electoral organization established that it had not changed the legal status of the political groups established in the 1973 elections. The political groups also filed a petition at that time concerning proportional representation of minorities or a system of quotients. The issue was solved by an agreement approved on 15 March 1973 which established that the political groups were of a strictly regional nature. If they obtained national status it would be only to nominate a presidential candidate. The political groups only have the right to nominate candidates for senator, deputy and state legislature in those districts in which they are registered.

Yesterday, the CSE also discussed the organizational aspects of the 3 June municipal elections. It was agreed that the list of candidates for each of the 191 municipal councils which will be operative in the country from 24 June will be submitted from 15 to 30 April, as had been proposed by the registry committee. Regarding the registration of lists, parties or policial groups will submit their properly indentified lists to the district electoral boards. The political parties and groups will have to tell the authorities beforehand the names of persons they will authorize to register their lists.

A CSE decision already announced states that all political groups and national or regional political parties that participated in the December general elections will be entitled to participate in the June municipal elections. However, it was established that the political groups, without exception, will be represented by a single colored card with a number on it.

A registry committee report was approved recommending 1 to 30 May as the period for the electoral campaign for municipal elections. There will not be any propaganda over a period of 3 days, that is until 3 June, the day of the elections.

CPSU OFFICIAL THREATENS INTERVENTION IN VIETNAM

PA010528 Mexico City International Service in Spanish 0400 GMT 1 Mar 79 PA

[Text] Nikolay Inozemtsev, member of the CPSU Central Committee, said at his arrival in the capital that the USSR is going to intervene militarily [la Union Sovietica va a intervenir militarmente] in Vietnam if the People's Republic of China continues its invasion.

This is a very delicate statement. The Soviet leader said that Moscow will support Vietnam to the last in compliance with an agreement signed between the two countries to reject the hegemonic attitude of China. Inozemtsev, who also is deputy to the Supreme Soviet [as heard], trusted in a prompt withdrawal of Chinese troops from Vietnam and discarded the possibility that the clash would escalate into world war III. However, he said that whenever Vietnam wants, the USSR will intervene with arms [intervendra con las armas] in the conflict.

He also said that it is obvious that the People's Republic of China is encouraged by hegemonic interests in the United States. Finally he said, we will not change our position to help Vietnam, although we wish that the conflict will be solved by peaceful means. As I said before, the Soviet official arrived this evening in Mexico City at the head of the Soviet delegation participating in the 50th anniversary ceremony of the Independent Revolutionary Party.

FRENCH PRESIDENT GISCARD ARRIVES FOR 3-DAY VISIT

PA281953 Paris AFP in Spanish 1946 GMT 28 Feb 79 PA

[Text] Mexico City, 28 Feb (AFP)--French President Valery Giscard d'Estaing arrived here today from Paris aboard a supersonic Concorde for an official 3-day visit to Mexico. Giscard was welcomed by Mexican President Jose Lopez-Portillo. The Concorde which brought Giscard and his retinue from France landed at Mexico City International Airport at 1335 (1935 GMT).

OIL PURCHASE CONTRACT SIGNED WITH FRANCE 25 FEBRUARY

PA281230 Paris AFP in Spanish 0354 GMT 28 Feb 79 PA

[Text] Mexico City, 27 Feb (AFP)--A contract for the purchase of 100,000 barrels of Mexican oil daily beginning 1 January 1980 was signed by France here last Sunday, French ambassador Jean-Rene Bernard has announced. In a speech delivered at the Rortary Club in Mexico at which he was an honored guest, the French ambassador said that that amount represents only 5 percent of what France consumes and not the minimum it requires. French investors are very interested in the Mexican market because of Mexico's "good geographic position," "its political stability" and "the absence of problems regarding foreign financing," the French ambassador added.

Bernard said, however, that in commmercial and economic matters the two governments were "relatively unprepared" and that they were limited "to outlining a plan," adding that an agreement will be signed between the foreign commerce institutes of Mexico and France during President Valery Giscard d'Estaing's visit which begins tomorrow. He also termed as important, without giving more details, the financial agreements that France and Mexico will sign during this visit.

He termed as a positive achievement in the cultural field an exchange between the Mexican television, managed by Margarita Lopez-Portillo, sister of president Lopez-Portillo, and the French Television Institute. He also said that the respective education ministries will recognize the high school diplomas issued by their countries.

PRESIDENT ROYO: ECONOMIC PROSPECTS IMPROVING

PA011258 Panama City ACAN in Spanish 2145 GMT 28 Feb 79 PA

[By Francisco Rubiales]

[Excerpt] Panama City, 28 Feb (ACAN-EFE)--Panamanian President Aristides Royo said today that the country's economic prospects are improving, and that domestic and foreign investments are expected to increase markedly. In a statement to this agency, President Royo, who took office on 11 October, admitted that the economic situation is serious, particularly as regards unemployment, but he immediately voiced optimism about the future of the economy. "Investors want to know the rules of the game, to know what to expect. That is being achieved here in Panama," the 38-year-old president indicated. Royo was a member of the team that negotiated the Torrijos-Carter canal treaties. According to President Royo, there are already clear signs that domestic and foreign investments are increasing, and this in turn will lead to an immediate improvement of the economic picture.

STATION CALLS FOR VIGILANCE ON TREATY IMPLEMENTATION

PA011326 Panama City Domestic Service in Spanish 2230 GMT 28 Feb 79 PA

[Text] In keeping with the campaign aimed at hindering implementation of the Torrijos-Carter treaties, several members of the U.S. House of Representatives have stated that Panamanian officials are trying to modify the canal treaties. Everything seems to indicate that strict implementation of the texts of the treaties, as demanded by our country, is interpreted by the U.S. congressmen as a modification of those documents.

According to Representative Robert Bauman, a member of the Republican Party on the Panama Canal Subcommittee, the new demands might become causes to restrict or prevent reversion of the canal to Panama in the year 2000. John Murphy, a Democratic representative and chairman of the subcommittee, said that these demands mean that we have not really reached agreement on everything.

Both Bauman and Murphy said that Canal Authority officials told the subcommittee here in Panama on Saturday that they interpreted the treaty as a means of requesting a $10-million increase in Panama's budget, thus raising its canal income from $70 million to $80 million per year. This sum would have to be paid by U.S. taxpayers if not covered by revenues. The subcommittee was also told that several of the 140 U.S. companies established here in Panama will have to pay retroactive taxes for the past 7 years, that the abandoned U.S. Coco Solo Naval Base must be totally reconditioned before returning it to Panama and that the locomotive formerly used in the canal that was sent to the United States must be preserved for exhibit here in Panama.

The subcommittee is holding hearings in both Washington and Panama to propose legislation to implement the treaties and return the canal's administration to Panama on 1 October and return all canal property by the end of the century.

According to the U.S. congressmen, the demands were submitted by Canal Authority adviser Fernando Manfredo and Canal Authority Director Gabriel Lewis Galindo.

Our country must remain alert at this stage of the implementation of the Torrijos-Carter treaties in order not to let the conquests achieved be mocked or lost. President Dr Aristides Royo said recently that we will enter the Panama Canal Zone on 1 October whether or not the Torrijos-Carter agreements are implemented.

COSTA RICA

PRESIDENT CARAZO DENIES RUMORS OF CABINET CRISIS

PA010025 San Jose Radio Reloj in Spanish 2100 GMT 28 Feb 79 PA

[Text] President Carazo denied rumors of a Cabinet crisis. I realize that some radio and television programs carry reports of a speculative nature, he told newsmen when asked about rumors of changes in his Cabinet. When I decide it is time to make changes in the Cabinet I will let the nation know about it, he asserted.

CIVIL GUARD MASSES UNITS FOR 'OPERATION CHECKMATE'

PA281904 Panama City ACAN in Spanish 1656 GMT 28 Feb 79 PA

[Text] San Jose, 28 Feb (ACAN-EFE)--The Costa Rican Civil Guard today, Wednesday, massed its units, mobilizing a battalion of approximately 700 men on the border with Nicaragua. The objective will be to carry out a "cleanup" operation aimed at expelling armed foreigners from the region.

The operation, which has been called "checkmate" by the high command of the Public Security Ministry, will cost approximately $1 million and will last 15 days. The operation will be carried out between the towns of Los Chiles and Barra del Colorado, in a 400-km-long area.

The guardsmen will be searching for persons with arms or without identification papers. The operation will affect guerrillas of the Sandinist Front as well as members of the Nicaraguan Army who have infiltrated the country.

In the past few months border area residents have endured a situation of unrest resulting from constant clashes between Sandinists and Nicaraguan soldiers near their towns. There have been several charges of incursions by troops.

Costa Rican Public Force Chief Col Fernando Munoz, who will lead the battalion, has stated: "Our guards will be adequately equipped and will shoot only if attacked."

The guards and civilians from various government dependencies will improve roads, rebuild homes destroyed in the fighting and do some work for civilian communities in the border area.

CASUALTIES REPORTED IN NICARAGUAN INVASION OF TERRITORY

Civilian Casualties Reported

PA282354 San Jose Radio Reloj in Spanish 2100 GMT 28 Feb 79 PA

[Text] We have been informed by the authorities that a Piper Cub pilot, German Arredondo, who was running an errand to the Buena Vista farm, landed there at 1100 today and found a man whose legs were practically shattered by bullet wounds and another person who was dead. This information has been verified and reported to Interior Minister Juan Jose Echeverria.

The pilot was told that the Nicaraguan National Guard crossed the Costa Rican border in pursuit of two or three persons who presumably were also killed by the Nicaraguan Guardsmen. The Buena Vista farm is located in Costa Rican territory about 6 to 8 km from the Nicaraguan border near the lake. The farm lies exactly between the provinces of Alajuela and Guanacaste on the banks of the Hacienda River.

Some people who live on the farm had to flee from the Somozist guardsmen who invaded Costa Rican territory. It is presumed that two or three other persons have also been killed by the Nicaraguan National Guard. Our authorities have already confirmed that one person has been killed. In the meantime, the wounded man was taken to the hospital in Liberia by the pilot of the Piper Cub. This is another violation of Costa Rican territory by the Nicaraguan National Guard.

According to the authorities the incident occurred at 0800 today and it was not until 1100 that pilot German Arredondo discovered the wounded man at Buena Vista farm. Arredondo immediately reported it to the authorities.

Interior Vice Minister Enrique Montealegre and OAS observers have already left for the scene of the incident to corroborate what took place this morning in Costa Rican territory.

Official Account

PA010157 San Jose Radio Reloj in Spanish 0000 GMT 1 Mar 79 PA

[Excerpt] The following official details were supplied a few moments ago by Enrique Montealegre Martin, vice minister of interior, who is already on his way back to the capital, the officials who went to the site of events having arrived only a few moments ago. [as heard]

Montealegre Martin has reported that one person, Pablo Gonzalez Sandoval, has been injured and another, Eduardo Omar Alvarez Barahona, has been killed. Barahona was 21 years old and Gonzalez is 18.

The vice minister reports that the incidents occurred between 0800 and 0900. According to the information obtained, Eduardo Omar Alvarez Barahona lived in the town of Colon, Nicaragua. Alvarez Barahona was on his way to the Buena Vista estate here to purchase lard. This is an errand he runs periodically. He is well known in the area since he comes often to purchase groceries.

It was reported that between 0800 and 0900, Alvarez Barahona met Pablo Gonzalez Sandoval, who has been working on the Buena Vista estate for the past 6 months. Gonzalez Sandoval was working and Alvarez Barahona was walking alongside him when they suddenly saw 12 National Guardsmen from the Basic Infantry Training School, which is directed by Anastasio Somoza Portocarrero. Upon seeing the guardsmen, they became frightened and began to run. They were immediately attacked by the National Guardsmen, who crossed Las Haciendas Road into national territory.

The vice minister of interior said that the members of the OAS observers commission were able to determine clearly and precisely that the incident had occurred on Costa Rican territory. Moreover, they have such proof as the shells which were fired from the guns: 7.62 mm cartridges, which can be used interchangeably by the American-made M-14 or by the Israeli-made Galil.

GOVERNMENT ANNOUNCES POSITION ON SEIZURE OF U.S. TUNA BOAT

PA282000 San Jose Radio Reloj in Spanish 1630 GMT 28 Feb 79 PA

[Text] The government of the republic this morning announced its official position with regard to the seizure of the U.S. tuna boat White Star. The announcement was made through Attorney General Jose Francisco Villa Jimenez, who said that the government intends to prevent at all costs the release of those implicated in the crime of piracy and illegal fishing in territorial waters.

The official legal process initiated by the government before Puntarenas judicial authorities is based on the fact that the accused do not reside in our country, said Villa Jimenez. Villa Jimenez said this morning that they must not be allowed to leave the country. They (?should not be) released because they have no residence. There is no guarantee, he added, that any trial will be held.

It has been reported that Jose Roberto Steiner is in Puntarenas to present requests to the judicial authorities there. Our source said: We hope that our petition is accepted. [paragraph has heard]

GUATEMALA

BORDER WITH HONDURAS TO REMAIN OPEN AS TRADE TALKS CONTINUE

PA281340 Paris AFP in Spanish 0337 GMT 28 Feb 79 PA

[Excerpt] Guatemala City, 27 Feb (AFP)--It was learned here today that Guatemala and Honduras have agreed to keep their common border open while they discuss a new bilateral trade agreement.

The border was closed to trade between the two Central American countries after their current agreement expired.

The date and place for the discussions between the Guatemalan and Honduran economy ministers in this regard have not been set yet.

EGP TAKES CREDIT FOR OCCUPYING THREE VILLAGES

PA281159 Paris AFP in Spanish 0146 GMT 28 Feb 79 PA

[Text] Guatemala City, 27 Feb (AFP)--It has been learned here that the clandestine Marxist Poor People's Guerrilla Army (EGP) today took credit for the occupation of three villages in Quiche Department, 250 km from Guatemala City. In a bulletin anonymously delivered to journalists, the EGP said that "members of the Edgar Ibarra group occupied the towns of Parraxtut, Squilgrande and Palop" on 7 and 13 February. In all three towns, the guerrillas cut communications and held rallies in the central parks. It was affirmed that the Edgar Ibarra group is composed of Indians and mestizos.

NICARAGUA

CONSERVATIVE PARTY PRESIDENT ARGUELLO RESIGNS

PA281843 Panama City ACAN in Spanish 1812 GMT 28 Feb 79 PA

[Text] Managua, 28 Feb (ACAN-EFE)--Rene Sandino Arguello, president of the Nicaraguan Conservative Party, resigned unexpectedly today, Wednesday, from his post "so as not to be an obstacle in the movement to unify conservatism," he said.

Edgard Paguagua Midense, the party's secretary, also resigned, ACAN-EFE was informed.

In 1971 Sandino Arguello, a well-known physician specializing in cancer treatment, assumed the presidency of the Conservative Party, a minority party which governed jointly with President Anastasio Somoza's Liberal Party.

The vacancy in the party presidency will be occupied ad interim by Alvaro Chamorro Mora, vice president. In April a Conservative Party convention will elect a new president.

The party is presently divided into four factions. Efforts by Sandino Arguello and other leaders have failed so far to unite them.

The Conservative Party president was one of the deputies held hostage during the Sandinist attack on the Managua National Palace last August. Since then he has not gone back to the Legislative Assembly, which he "definitively" retired from today. He has asked his alternate to take his seat.

SANDINIST WAR COMMUNIQUES REPORT ON LATEST ACTIONS

PA281856 Panama City ACAN in Spanish 1642 GMT 28 Feb 79 PA

[Text] Managua, 28 Feb (ACAN-EFE)--Sandinist war communiques issued here today report that guerrilla squads killed 29 Nicaraguan Army soldiers in actions carried out recently in towns of Esteli Department. The Sandinist communiques also report that at least three National Guard posts were attacked by rebel youths this week, emphasizing the attack against the Masaya army command on Monday night. The authorities have not issued an official report on those actions.

Monday's attack in Masaya lasted more than 1 hour and resulted in the death of Pedro Valle, a youth. It is not known if he belonged to the rebel forces of if he was just a passer-by caught in the crossfire. More than 30 guerrillas participated in the attack after arriving in Masaya (30 km east of Managua) from various places. The attack coincided with the first anniversary of the uprising of the Indian community of Monimbo in that city.

On Monday, Managua Archbishop Msgr Obando y Bravo celebrated a mass in memory of those killed in Monimbo. The Monimbo residents had strongly resisted the army and were subdued only after Gen Anastasio Somoza's government used armor and aircraft.

Another of this week's Sandinist attacks against army posts occurred in Yali, Jinotega Department, in northern Nicaragua. The extent of this insurgent action has not been reported. The National Guard posts in San Rafael del Sur and Jinotega were also attacked.

Meanwhile, here in the capital several youths armed with submachineguns and revolvers intercepted an urban bus, forced the passengers out and burned the bus. Firemen were able to save the engine.

Finally, two alleged Sandinists killed Carefino Vallecillo, a member of the Directorate of the "Aceitera la Corona" Labor Union, in a suburb of southern Managua.

ROCA CHAIRS PARTY MEETING ON SOCIALIST LEGALITY

FL010036 Havana Domestic Service in Spanish 0000 GMT 1 Mar 79 FL

[Text] Blas Roca Calderio, member of the PCC Politburo and president of the People's Government National Assembly, today chaired a PCC Central Committee meeting to review the propaganda campaign on socialist legality. Others sitting on the dais were PCC Secretariat member Antonio Perez Herrero and Orlando Fundora, chief of the PCC Central Committee Revolutionary Orientation Department, who read the report on the findings.

In his speech, Blas Roca stated that overall the report is highly positive, and that the campaign on socialist legality is increasingly intensifying. He referred at length to the new penal code which will be published tomorrow in the official GAZETTE and which will go into effect within 8 months. Blas stated that each citizen must have full knowledge of the laws to fully obey them, and that the same is the case with state organizations and their officials. He stressed that crime prevention is the main objective, and announced that the law on military crimes--which, like the penal code, will go into effect within 8 months--will also be published in tomorrow's official GAZETTE.

In a brief speech, Antonio Perez Herrero indicated that the improvement of information on socialist legality is one of the priority tasks to be undertaken this year, and stressed that the objective of the propaganda is to prevent crime. He also referred to the new penal code and to the importance of the state secret, whose violation serves the enemy.

CTC NATIONAL COUNCIL VIEWS SOCIAL SECURITY BILL, OTHER TOPICS

FL270249 Havana Domestic Television Service in Spanish 0100 GMT 27 Feb 79 FL

[Text] The 38th meeting of the Central Organization of Cuban Workers [CTC] National Council concluded this afternoon with a speech by Jesus Montane Oropesa, member of the PCC Central Committee and chief of its Mass Organizations Department. The meeting began in the morning hours and followed a broad working agenda. Some 135 council members and the CTC National Secretariat attended the event.

The methodology to be followed in the discussion of the new social security bill was adopted in the afternoon session. The assembly meetings will be held from 9 to 29 March, and all workers will participate in them. After the masses examine the bill, it will be submitted to the consideration of the People's Government National Assembly.

In his speech, Montane referred to the role played by the CTC National Council, principally following the holding of the 14th congress, during which it was agreed to give this council a greater participation in the country's labor problems. The 38th CTC National Council meeting also examined working methods, the convocation to the discussion of the social security bill, the May Day work plan and the CTC work guidelines for the current year. The meeting was chaired by Roberto Veiga, CTC secretary general and member of the PCC Central Committee, and the members of the CTC Secretariat.

ALMEIDA PRESIDES AT PROPAGANDA CAMPAIGN MEETING

FL262113 Havana Domestic Service in Spanish 2103 GMT 26 Feb 79 FL

[Text] Juan Almeida Bosque, member of the PCC Politburo and vice president of the National Preparatory Committee of the sixth nonalined countries summit conference, today presided at the second review meeting of the propaganda campaign for that important event. PCC Secretariat member Antonio Perez Herrero and Orlando Fundora, chief of the PCC Central Committee Revolutionary Orientation Department, also attended the meeting held to examine the campaign's efforts since October 1978.

Fundora read a report on the activities carried out by political and mass organizations as well as state organizations through January last. In his closing remarks, Perez Herrero noted that quantitative and qualitative progress has been made compared to that reported in September 1978.

LEZCANO CHAIRS CDR EVALUATION MEETING

FL282236 Havana Domestic Service in Spanish 2136 GMT 28 Feb 79 FL

[Excerpt] Jorge Lezcano Perez, member of the PCC Central Committee and national coordinator of the Committees for the Defense of the Revolution [CDR], has made the closing remarks at the fourth meeting of the CDR National Directorate, which examined work carried out from October 1978 to January 1979. The meeting was attended by Jesus Montane Oropesa, member of the PCC Central Committee; Maria Teresa Malmierca, vice national coordinator of the CDR; and provincial leaders.

Lezcano reported that during the emulation carried out last year all provinces were outstanding in fulfilling the agreements taken at the CDR first congress for the overall work plan. He added that there was a very positive result last year in comparison with 1977, which is the result of the higher efficiency and quality in the work done by the organization.

The first agreement taken at the fourth meeting of the CDR National Directorate was a call for solidarity with Vietnam and a repudiation of the Chinese invasion. The call stat that aggression on the fraternal Vietnamese people is a betrayal of the class intere.ts of the workers and people who love peace. Also unanimously approved was a resolution by the CDR National Directorate on the occasion of the upcoming people's government elections, which will be held on 8 and 15 April. The CDR members will contribute in making the election of delegates to the people's government organs one more victory of the revolution and will honor this happening by completing all of their tasks.

At the fourth meeting, the CDR National Directorate reported on the most outstanding organs of last year, the year of the 11th [World Youth and Students] Festival. The most outstanding province was Santiago de Cuba, while the second and third places went to Havana City [Province] and Villa Clara, respectively. They all received CDR banners. Cerro Municipality got first place nationally, and zone seven of Plaza Municipality was the most outstanding in the country.

VALDES CHAIRS CONSTRUCTION MINISTRY REVIEW MEETING

FL261238 Havana Domestic Service in Spanish 1212 GMT 26 Feb 79 FL

[Text] The hard work done in 1978 by the Construction Ministry has been examined in detail at the annual review meeting of that ministry. The meeting was chaired by Ramiro Valdes, member of the PCC Politburo and vice president of the Councils of State and Ministers.

The scope and effect of the essential objectives that must be guaranteed by everyone for 1979 also were discussed at the meeting held in the Granma Hall of the Construction Ministry.

In making the closing remarks, Construction Minister Jose A. Lopez Moreno revealed that 105 industrial installations were completed in 1978, the highest number of this type of projects completed in a single year since the triumph of the revolution. After discussing the many problems encountered with the 1978 construction plan, Lopez Moreno urged construction workers to double their efforts to complete the installations required by our economy and society.

A declaration condemning the cowardly aggression perpetrated by the Chinese mandarins against the heroic Vietnamese people was approved at the Construction Ministry review meeting chaired by Commander of the Revolution Ramiro Valdes. The training plan for this year also was discussed. It calls for the incorporation in schools of 25,000 persons demobilized from military service so that they can be trained as qualified workers and middle level technicians in various construction specialties.

The most outstanding workers and the Construction Ministry enterprises with the best record in 1978 were announced at the meeting.

In addition to Commander of the Revolution Ramiro Valdes and Lopez Moreno, others presiding over the meeting included Aldo Alvarez, chief of the PCC Central Committee Construction Department; Pedro Fernandez, secretary general of the National Trade Union of Construction Workers; and officials of that department and of the trade union.

NOMINATIONS FOR MUNICIPAL ASSEMBLIES END

FL271119 Havana Domestic Service in Spanish 1100 GMT 27 Feb 79 FL

[Text] The period for nomination of candidates to People's Government Municipal Assemblies has concluded with the last nominating assemblies held in the Provinces of Santiago de Cuba, Havana and Havana City. Provincial electoral commissions now are involved in preparing voter identification cards, the indispensable document to exercise the right to vote in the 8 April elections. Issuance of the cards will begin on 1 March.

Results Announced

FL281226 Havana Domestic Service in Spanish 1211 GMT 28 Feb 79 FL

[Text] The National Electoral Commission has issued a preliminary report on the latest figures on the process to nominate candidates [for delegates to municipal government assemblies]. It reports that 28,014 nominating assemblies were held throughout the country with the participation of 4,341,323 voters, who elected 24,561 candidates. A total of 2,397 women were nominated as candidates throughout the country. In addition, 6,303 incumbent delegates again received the trust of the voters and will appear on the ballot as candidates for delegates to people's government municipal assemblies.

Cienfuegos Province had the highest percentage of voter attendance at the nominating assemblies, and Havana City had the lowest percentage, although the latter nominated more women as candidates.

SAMPLE DEMOGRAPHIC CENSUS TO BE TAKEN THIS MONTH

FL281519 Havana Domestic Service in Spanish 1502 GMT 28 Feb 79 FL

[Text] A demographic census covering part of the population of the national territory will be conducted 22-31 March in accordance with instructions of the State Committee for Statistics. The work will be done by means of a sampling method in compliance with Resolution 569 issued to this effect calling for a census on a specific preselected part of the population. The census is being organized and conducted in keeping with the need of the party and government leadership to have current demographic information based on the existing politico-administrative division of the country. The demographic census to be conducted next month will provide data relating to housing, educational and employment information and the monetary income of our population.

FOREIGN TRADE MINISTRY COMMUNICATIONS CENTER INAUGURATED

FL261729 Havana Domestic Service in Spanish 1700 GMT 26 Feb 79 FL

[Text] The new building of the Foreign Trade Ministry's International Communications Center has been inaugurated in the presence of Carlos Rafael Rodriguez, member of the PCC Politburo and vice president of the Councils of State and Ministers. Marcelo Fernandez Font, member of the PCC Central Committee and minister of foreign trade, also presided over this activity held within the framework of the celebration of the 18th founding anniversary of the Foreign Ministry. Alfredo Alvarez, director of the center, spoke briefly and declared that the center has been furnished with all the necessary equipment to offer more efficient service to the customers who use our communications services. The center has two direct circuits, with Montreal and London. It also communicates with the entire world via Telex.

CEREMONY HONORS INTERNATIONALIST SOVIET SOLDIER

FL240044 Havana Domestic Service in Spanish 0000 GMT 24 Feb 79 FL

[Text] Floral wreaths were placed today at the mausoleum of the internationalist Soviet soldier, located on the outskirts of Havana City, on occasion of the 61st anniversary of the USSR Armed Forces. The floral wreaths were sent by army Gen Raul Castro, minister of the Revolutionary Armed Forces [FAR]; the USSR Embassy in Cuba and Col Guivi Ordzhonikidze, military, naval and air attache of that diplomatic mission, who was present at the ceremony.

Vice Adm Aldo Santamaria, vice minister-chief of the Revolutionary Navy; Maj Gen (Ivan Belov); FAR officers and Soviet specialists who are working in Cuba also attended the ceremony.

Further Reportage

FL231351 Havana Domestic Service in Spanish 1145 GMT 23 Feb 79 FL

[Excerpt] In speaking at the ceremony, Maj Gen (Aleksey Sa) referred to the celebration and its importance for the USSR people and army. He stated that this year the celebration has a special meaning because it is being held on the eve of the USSR Supreme Soviet elections, which will be held on 4 March. Later on, he spoke about Beijing's hegemonistic policy and its aggression against Vietnam, and recalled that the USSR has firmly stated that it will carry out the pledges made in the friendship and cooperation treaty between the USSR and the Socialist Republic of Vietnam.

He emphasized that the CPSU, which has persistently molded a peaceful foreign policy, is taking all steps to strengthen the military power of the USSR's armed forces.

Brig Gen Juan Augustin Mendez Sierra spoke at the ceremony in the name of the Revolutionary Armed Forces [FAR]. Mendez Sierra stated that having been born at the dawn of the great socialist October Revolution, the USSR's armed forces have covered a long, difficult and glorious path. He recalled that when Berlin had already fallen and no people of Europe was victim to the barbaric fascist boot, the Soviet Army continued its march, and as an exemplary solidary act, stretched out its fraternal hand to the Asian peoples.

[Begin Mendez Sierra recording] Those who today in Beijing slander the Soviet people and its armed forces, the new mandarins who create artificial border and territory problems and clamor for a new war against the USSR, do so with evident forgetfulness that when the Soviet Army could have ended its mission, it marched on into Manchuria and in an indisputable way defeated the Kwantung Japanese Army, which was made up of the mainland troops of militarist Japan. Forty-nine divisions, 27 brigades, 1,155 tanks, 5,370 cannons, 2,000 airplanes and more than 1 million men were needed to open the paths of liberation for China and the other Asian countries. [end recording]

Brig Gen Mendez Sierra recalled the internationalist development of the Soviet Army and its struggle for strengthening peace and international security. And he concluded:

[Begin Mendez Sierra recording] On this new anniversary of the USSR's armed forces, on this date which we justifiably celebrate as our own, I have the honor to deliver to you the warmest congratulations from the FAR. I salute you in the name of the minister of the FAR. I thank you for the help you provide in raising the defensive capabilities of our country, and I wish you all types of successes in your noble mission. [end recording]

LEVI FARAH ENDS VISIT TO IRAQ, SIGNS COOPERATION AGREEMENT

FL281301 Havana Domestic Service in Spanish 1245 GMT 28 Feb 79 FL

[Text] Levi Farah, minister-president of the Cuban State Committee for Construction, has ended his visit to Iraq with the signing of a cooperation agreement.

The agreement stipulates the contracting of construction projects by the Iraqi side, outlines construction projects to be discussed and undertaken and establishes a schedule of meetings for bilateral cooperation between Cuba and Iraq.

Levi Farah, representing Cuba, and Taha Yasin Ramadan, member of the Iraqi Revolution Command Council and minister of public works and housing, signed the agreement and a final communique on the visit. Before leaving, the minister-president of the Cuban State Committee for Construction met with the first group of Cuban construction workers who are in Iraq to build various social and economic works.

PRESIDENT GUZMAN ACCUSES PREDECESSOR OF OVERSPENDING

PA272146 Buenos Aires LATIN in Spanish 2014 GMT 27 Feb 79 PA

[Text] Santo Domingo, 27 Feb (LATIN)--President Antonio Guzman today accused the administration of his predecessor, Joaquin Balaguer, of having used the greater part of the country's reserves for his pre- and post-electoral expenses and [of having left] the Dominican Republic's account in the Reserve Bank with a less than normal balance.

Speaking before the National Assembly, where he delivered a State of the Nation report for the 1978-79 period, Guzman said that Balaguer's administration drained the Reserve Bank of the republic through much higher than normal expenses, running up a $31.1 million deficit for the first 8 months of 1978. He said that 1978 could not be a politically or economically normal year because the elections were still a paralyzing influence, although politically the best always occurs when the people, assured of their rights, impose their will, as they did by the force of their decision. He said that the Dominican Revolutionary Party [PRD], which brought him to power, was a powerful combination of energy, ideals and patriotism and is the fundamental basis of his administration.

Guzman said that the armed forces have reaffirmed their unquestionable support for the civilian government and their respect for the constitution and have demonstrated irrefutably that they guarantee representative democracy. He expressed the gratitude and respect they deserve for this attitude.

Guzman praised the loftiness with which the political struggle of the parties has been waged, calling this one of the accomplishments of our society. He said that the political parties have the grave responsibility of preventing a change in tone of these struggles, altering the climate of coexistence of the Dominican family. He said that his administration has made indisputable efforts to attain the social peace which the country now enjoys, in order to increase the resources for production for domestic as well as foreign markets. In order to accomplish this, the government is providing technology, seed and money to agriculture, stimulating agricultural industries, bringing better health to the people and spreading education, he said.

Guzman said that progress is being made in the construction of irrigation dams and canals, adding that at the present time 141 works that his administration found in progress are being constructed at a cost of $75.5 million, and $20.6 million in works have been initiated since he assumed the administration. He said that these figures refute those who claim that the country is paralyzed.

ANTIGUA

FORMER PREMIER JAILED FOR CORRUPTION

FL261445 Bridgetown ADVOCATE-NEWS in English 22 Feb 79 p 1 FL

[Excerpts] St John's, Antigua, Wednesday, (CANA)--Antigua's former Premier George Walter was today sent to jail after a jury found him guilty of corruption while he was head of government.

In a hushed courtroom Walter received two three-year prison terms on two counts of misbehaviour in public office and one two-year term for conspiring to defraud the government of customs duties. The sentences will run concurrently. Judge Eric Bishop in imposing them told the exleader that the shame and disgrace that would be brought on him would serve as punishment, and he was sentencing him accordingly.

Sydney Prince, former finance minister in Walter's progressive Labour Movement government, was freed of a charge of conspiring to defraud the government of customs duty on two imported steel building frames. The frames had been brought into the country from Dominica by Walter, with whom Prince was jointly charged.

Earlier in the day, Walter had been freed on one other charge, that of allowing government funds to be used for paying landing charges on the steel building frames.

Prosecution of Walter and Prince resulted from an inquiry into the administration of Walter's government by the ruling Antigua Labour Party led by Premier Vere Bird after it was returned to power in the 1976 general elections.

ECUADOR

FOREIGN MINISTRY ON 200-MILE MARITIME TERRITORIAL LIMIT

PA261608 Quito Voz de los Andes in Spanish 1230 GMT 26 Feb 79 PA

[Text] Ecuador will continue defending the 200-mile territorial limit at the forthcoming eighth UN Law of the Sea Conference to begin in Geneva on 19 March. This decision has been announced by the Ecuadorean Foreign Ministry, which has noted that its position remains unalterable. The 200-mile thesis is accepted internationally, although it has variations, as in the area of economics.

GUYANA

BURNHAM STRESSES IMPORTANCE OF NONALINED SUMMIT

FL240158 Havana Domestic Television Service in Spanish 0100 GMT 24 Feb 79 FL

[Text] Guyanese Prime Minister Forbes Burnham has underscored the importance of the sixth nonalined countries summit conference that will be held in Cuba this year. He pointed out that his country is prepared to contribute once again to the unity and strengthening of the movement. Burnham made these statements in a speech on the occasion of today's celebration of the ninth anniversary of the proclamation of the Cooperative Republic of Guyana. The Guyanese leader reasserted that his government adheres to the basic principles of the nonalined countries movement. The Cooperative Republic of Guyana joined the nonalined movement in 1970 during the preparatory meeting in Dar es Salaam.

GDR COMMERCIAL ATTACHE COMMENTS ON RELATIONS

FL241710 Georgetown GUYANA CHRONICLE in English 14 Feb 79 p 8 FL

[Text] Outgoing German Democratic Republic Commercial Attache Armin Wuntke said yesterday that the possibility of trade between Guyana and the GDR and scientific and technical cooperation were tremendous, and he expressed the hope that both countries would cooperate to the fullest extent in these fields.

Mr Wuntke, who came to Guyana in December 1975 and established the GDR commercial office, said that he leaves the country on Monday next with a feeling of satisfaction that relations between the two countries have developed considerably.

He described as the highlight of his work here the visit of Cde Prime Minister Forbes Burnham to the GDR last year. "It was the highest point in my work here," he declared. Mr Wuntke, in an interview with the CHRONICLE, also had a word of praise for the government officials with whom he had to work. He said the ministers and government officials with whom his office had to work were very cooperative.

He said during his work in Guyana he always kept before him whatever his country could do to help Guyana. "I think I have succeeded to some extent. This was expressed to me in sentiments by the many Guyanese friends I have made both at the official and unofficial levels."

JAMAICA

COMMUNIST PARTY CALLS ON MANLEY TO UNITE PROGRESSIVES

FL231411 Havana Domestic Service in Spanish 1200 GMT 23 Feb 79 FL

[Text] The Jamaican Communist Party has called on Prime Minister Michael Manley to unite the 45 political, social and labor organizations in a common effort to face the plans of the opposition Jamaica Labor Party. In a communique issued in Kingston, the political group urgently called for the unification of all progressive forces in the country to halt the advances being made by the reactionary forces which recently called for an antigovernment strike.

PERU

FOREIGN MINISTER: RELATIONS WITH CHILE NORMAL

PA280124 Paris AFP in Spanish 2119 GMT 27 Feb 79 PA

[Text] Lima, 27 Feb (AFP)--Peruvian Foreign Minister Carlos Garcia Bedoya said this morning that "Peruvian-Chilean relations are in a period of normality." He added that no decision has yet been made on the return of the Peruvian ambassador to Chile, and that a new Chilean ambassador to Peru has not been appointed. Yesterday spokesmen at the Chilean Embassy in Lima expressed optimism for a significant improvement in relations between the two countries in March,"now that the waters have receded to their normal level." In January the Peruvian Government declared Chilean Ambassador Francisco Bulnes persona non grata and recalled its ambassador to Chile. This decision was made, as it was then officially explained, following Chilean espionage acts which resulted in the execution of a former Peruvian Air Force officer.